

**TOWN OF BETHANY BEACH
TOWN COUNCIL REGULAR MEETING
JULY 15, 2016 – MINUTES**

The Bethany Beach Town Council held a regular meeting at 2:00 p.m. on July 15, 2016 in the Town Meeting Room, 214 Garfield Parkway, Bethany Beach, DE 19930.

Members present for the meeting were: Jack Gordon, Mayor, who presided; Lew Killmer; Chuck Peterson; Bruce Frye; Rosemary Hardiman; Joseph Healy and Jerry Morris.

Also present were: Cliff Graviet, Town Manager; Lisa Kail, Administrative Assistant/Town Clerk; and interested members of the public.

Approval of the agenda

Mr. Killmer made a motion to approve the agenda. Mr. Peterson seconded the motion and it was unanimously approved.

Approval of minutes of regular meeting held on June 17, 2016

Mr. Killmer moved approval of the minutes. Seconded by Mr. Morris, the motion was approved with a 6-0 vote. (Mayor Gordon abstained since he was not present for the meeting.)

Approval of minutes of workshop/special meeting held on June 13, 2016

Mr. Killmer made a motion to approve the minutes. Ms. Hardiman seconded the motion and it was unanimously approved.

Approval of minutes of executive session held on June 13, 2016

Ms. Hardiman moved approval of the minutes. Mr. Morris seconded the motion and it was unanimously approved.

Approval of minutes of assessment meeting held on June 17, 2016

Mr. Killmer made a motion to approve the minutes. Seconded by Ms. Hardiman, the motion was approved with a 6-0 vote. (Mayor Gordon abstained since he was not present for the meeting.)

Approval of Financial Report

Mr. Peterson explained that this report covers our year-to-date fiscal performance through the month of June. The fiscal year begins on April 1st of each year so we are 25% through the year.

OPERATING BUDGET REVENUES:

To date, the Town has collected 49.7% of our budgeted revenue compared to 47.6% at this time last year. This is attributed to property tax payments.

OPERATING BUDGET EXPENSES:

To date, the Town has expended 28.6% of our budgeted expenses compared to 27.6% expended at this time last year.

Recognizing that this report is subject to audit, Mr. Peterson moved that Council accept and approve this unaudited financial report. Mr. Killmer seconded the motion and it was unanimously approved.

Approval of Tax Adjustment List #1

Mr. Peterson made a motion to approve Tax Adjustment List #1. Mr. Healy seconded the motion and it was unanimously approved.

Announcements/Recognition of Visitors and Public Comment

Mayor Gordon made the following announcements:

- The Town Council Election will be held on Saturday, September 10, 2016 – 12:00 Noon to 6:00 p.m. Anyone wishing to file as a candidate for the election must file a written Notice of Intention (Application for Candidacy) in the Town Manager’s Office at Town Hall no later than 4:30 p.m. on Wednesday, July 27, 2016.
- The Town’s Annual Périers Day Celebration honoring our Sister City will be held on Wednesday, July 27, 2016, from 7:00 p.m. – 9:00 p.m. on the bandstand.
- Congratulations were offered to Mr. Frye and his 4th of July Parade Committee for a wonderful event. Mr. Brett Warner, Director of Public Works, was thanked for his participation as the parade’s Grand Marshal. Mr. Gravier was recognized for the wonderful fireworks display that was shown on July 5, 2016. They were delayed a day because of rain.

Mr. Healy advised that he met with local restaurant owner, Mr. Tim Haley, who recently lost one of his employees in an accident. Mr. Haley was very thankful to the Town Manager, State and Local Police Departments and the Emergency Personnel who responded to the scene on behalf of the young lady.

Mr. Jim Tippet, property owner, was recognized. Mr. Tippet thanked the Town Manager for installing speed bumps on Gibson Avenue. He asked for clarification on why the number of speed bumps installed was changed and asked if there is any data to determine if they have been effective.

Mr. Gravier advised that data collected shows that they have not been effective. Two were originally installed and later two more were added. The additional ones added were more serious and some complaints were called in regarding their installation. It was found that people were slowing down for the devices, but then they would roll through the stop sign. The Public Works Department had a hard time keeping the more serious devices anchored and they have since been removed. At this time, staff is looking into other options.

Dr. Larry Fishel, property owner, was recognized. Dr. Fishel referred back to Mr. Healy's comments and explained that about six years ago he was in a car accident while driving to Bethany Beach. Many Town Officials and residents of Bethany Beach reached out to him during his recovery. For these reasons and many others, he made Bethany Beach his permanent home. He stated that the people who reside in the community are wonderful.

Report from Audit Committee

Mr. Patrick Shiplee, Chairman of the Committee, read the following prepared statement into the record:

The Audit Committee met on Friday, July 1, 2016 with Roy Geiser of the Town's outside auditing firm TGM Group, LLC. The purpose of this meeting was to hear a report on the annual external audit and to review draft financial statements for the fiscal year that ended March 31, 2016.

The Town received an unmodified opinion, which is the highest level of assurance that the financial statements do not contain any material misstatements. Mr. Geiser reported that the auditors did not experience any problems during the audit and found that the Town had another outstanding year and remains in excellent financial shape. He complimented the Town on its internal controls, policies, and personnel, as well as having an active internal auditor and audit committee.

This year the Town implemented a new standard #68 issued by the Governmental Accounting Standards Board. This required the Town to expand the information provided on pension plans. The Town participates in two pension plans that are managed by the State of Delaware, one for police officers and one for other full time employees. The new standard resulted in an asset of \$108,573 on the Statement of Net Position as the pension plans are more than 100% funded.

The financial statements will be finalized within 120 days after the end of the fiscal year, as required in the Town Charter. The statements will be available on the Town's website and at Town Hall by the end of this month. Property owners

are encouraged to read the Management's Discussion and Analysis portion to improve their understanding of the Town's finances.

Report from Fourth of July of Parade Committee

Mr. Frye advised that this year's parade was an excellent one. He thanked Mr. Brett Warner for being the Grand Marshal and also offered many thanks to all of the volunteers and businesses who helped make the event a success. The Bethany Beach Volunteer Fire Company as well as the Town's Police, Parking and Public Works Departments were also thanked.

Report from the Town Manager

Mr. Graviet gave the following report:

Staff

Mr. Graviet acknowledged the Town staff for the wonderful job they have been doing during the summer. Special thanks were offered to the Public Works, Police, Parking and Entertainment Departments for their efforts on the 4th of July.

Public Works

The Public Works Department continues to do all it can regarding the very steep ramps at the south end of Town. Staff pushes small amounts of sand to repair as we can and as we are allowed. This is not the answer many want to hear but the situation we are faced with.

Entertainment

Julie Malewski, Entertainment Director, has put together a great lineup for us and our bandstand performances are being very well received. We have been very fortunate and our beach is holding its width and we have had no issue with movies or bonfires.

Beach Patrol

Speaking of beaches our beach and the Bethany Beach Patrol are tentatively scheduled to be on Good Morning America (GMA) live on July 28, 2016. GMA is doing a segment on the work the Town is involved with regarding surf injuries.

Beach Concessions

At the August Town Council meeting, Mr. Graviet advised that he is going to present a contract for the Council's consideration that has Ron Steen provide the next three years of beach concession service to the Town.

He added that in November 2014, he suggested to the Council that they consider the Town providing Concession services. The Council roundly rejected that suggestion.

At that time Ron Steen, our current Concession provider, had submitted a 5-year bid proposal for the concession service. The Council elected to continue Mr. Steen's existing contract for an additional two years at the rate Mr. Steen had paid the Town in the last year of his previous five-year contract, \$62,049.

At the time, the Town extended Mr. Steen's existing contract by two years and voted to review the concession issue and revisit it at the end of Mr. Steen's two-year extension.

That time is now, and he recommended for the Council's consideration that the Town take the terms Mr. Steen offered in his 2014 bid and apply them to the remaining three years of the contract period, with a new contract expiring after the summer season of 2019.

That would mean a new contract would have Mr. Steen paying \$73,008 for the 2017 season, \$75,928 for the 2018 season and \$78,965 for the 2019 season, as presented in his 2014 bid.

In addition, in conversations with Mr. Steen, he said that he is willing to give the Town the \$13,602 he has saved in the last two years and apply it to a new contract.

There was no objection.

Discussion, Consideration, and Possible Vote on a Contract Submitted by Regional Builders, Inc. to Construct a Pre-Engineered Steel Building for the Blackwater Complex for the Amount of \$344,506

Mr. Gravier advised that three bids were received to construct a pre-engineered steel building for the Blackwater Complex. The Town's Engineer has reviewed all bids and recommends that the Town contract with the lowest bidder. He asked for a motion to approve the contract submitted by Regional Builders, Inc. for the amount of \$344,506.

Ms. Hardiman so moved. Mr. Morris seconded the motion and it was unanimously approved.

Discussion, Consideration, and Possible Vote on a Contract Submitted by H.A. DeHart and Son for the Purchase of a Pak-Mor High Compaction Side Load Refuse Compactor for the Amount of \$84,940

Mr. Gravier advised that this was a sole source bid. No other manufacturers make this type of side load compacters. The Town is dependent on this type, because of the alley configuration in some areas of the Town.

Ms. Hardiman made a motion to approve the contract submitted by H.A. DeHart and Son for the purchase of a Pak-Mor High Compaction Side Load Refuse Compactor for

the Amount of \$84,940. Mr. Morris seconded the motion and it was unanimously approved.

Discussion, Consideration, and Possible Vote on a Contract Submitted by Barr Freightliner for the Purchase of a 2017 Freightliner Conventional Truck Chassis for the Amount of \$109,100

Mr. Gravier advised that four bids were received. He asked for a motion to approve the contract submitted by the lowest bidder, Barr Freightliner, for the purchase of a 2017 Freightliner Conventional Truck Chassis for the Amount of \$109,100.

Mr. Killmer so moved. Mr. Peterson seconded the motion and it was unanimously approved.

Discussion, Consideration, and Possible Vote on a Contract Submitted by Hooper, Inc. for the Purchase of a 2016 Farmall Tractor for the Amount of \$51,750

Mr. Gravier advised that three bids were received. He asked for a motion to approve the contract submitted by Hooper, Inc. for the purchase of a 2016 Farmall Tractor for the Amount of \$51,750.

Ms. Hardiman so moved. Mr. Healy seconded the motion and it was unanimously approved.

Hearing no other comments, Mayor Gordon called for a motion to adjourn the meeting. Mr. Peterson made a motion to adjourn the meeting. The motion was seconded by Ms. Hardiman and unanimously approved. The meeting was adjourned at 2:35 p.m.

Respectfully submitted:

Lisa A. Kail, MMC
Administrative Assistant/
Town Clerk